

OMRF yields \$46 million impact on state, report says

By Jim Stafford, Business Writer

A report released Wednesday concludes that the Oklahoma Medical Research Foundation has an annual benefit of \$46 million on Oklahoma's economy, a number that actually understates the foundation's contributions, its authors said.

"We have not measured and, indeed, cannot measure the impacts of OMRF research on humankind," wrote co-authors and economists Robert Dauffenbach and Larkin Warner. "Obviously, our study can only reflect on the narrow employment, labor income and tax receipts aspects of OMRF's operations, which is far from the full story."

Dauffenbach is director of the Center for Economic and Management Research at the University of Oklahoma's Michael F. Price College of Business. Warner is a Regents professor emeritus of economics at Oklahoma State University.

The study concludes that the foundation is responsible for an estimated 1,061 jobs in Oklahoma — 543 directly employed by the foundation and 518 others created as a result of the out-of-state grant revenues its researchers bring to Oklahoma.

In addition, grant awards to foundation researchers generate \$31 million in annual payroll at the foundation. Each foundation job also creates, on average, almost one additional job in the state of Oklahoma, generating another \$15 million in salaries for Oklahomans each year.

The report found that with \$27.7 million in National Institutes of Health (NIH) grants and contracts in 2004, the foundation ranked 13th among the approximately 90 members of the Association of Independent Research Institutes.

"The thing about OMRF is how successful they have been in competing for grants nationally," Dauffenbach said. "They are clearly an export-oriented industry because they bring in dollars to the state that wouldn't be here otherwise."

The study was commissioned by the foundation and was the first conducted since 1998, foundation officials said.

"Since OMRF was founded in 1946, Oklahomans have recognized that medical research plays a vital role in improving the state's health," said Dr. J. Donald Capra, foundation president. "But it's only recently that we've begun to understand that medical research is a key driver in the state's economy."

"This report is our attempt to quantify OMRF's economic impact — to show the true dollars-and-cents value of OMRF to Oklahoma."

The report also estimates that the foundation's operations generate \$12.4 million each year in federal, state and local taxes.

Hershel Lamirand, executive director of the Oklahoma Health Center Foundation, said the Oklahoma Medical Research Foundation is one of a trio of strong research institutions at the OU Health Center that include the University of Oklahoma Health Sciences Center and the Dean A. McGee Eye Institute.

“OMRF has outstanding scientists, probably some of the best in the country,” Lamirand said. “They generate a great deal of commercialization through their research. They have created hundreds of jobs through that process, and the future for OMRF is extremely bright.”

The full report can be found at www.OMRF.org/impactreport.

The benefits of medical research

The benefit of the Oklahoma Medical Research Foundation on Oklahoma's economy:

+ Employment: 1,061 + Income: \$46.18 million + Taxes: \$12.4 million

Source: The Economic Significance of the Oklahoma Medical Research Foundation, authored by Oklahoma economists Robert Dauffenbach and Larkin Warner